

Victim Impact Statement

Name: Judy Garland Children's Museum

Case Name: United States v. Terry Martin

Case Number 2018R00300 and Court Docket Number 23-CR-00193

1. How were you affected by this crime? How was the museum affected by this crime?

In 2005, the Judy Garland Children's Museum had been in business at its current location for 2 years. Michael Shaw had brought his traveling Ruby Slipper exhibit to the museum 3 times, 1989, 1992, and 2004. Executive Director, John Kelsch invited Shaw back with his exhibit to help get feet in the door and show off the new space. As our financials from 2004 and 2005 show (Exhibit A and Exhibit B), we had increased admissions and memberships to the museum due to the popularity of the traveling Ruby Slipper exhibit. It helped us get our new museum location and name out there to the local community as well as the international Judy Garland community.

Even though it was for a negative reason, the international publicity on the stealing of the Ruby Slippers from our museum did put us on the map on a local, state, national, and international level. However, as you can see from our financials, our admissions and membership dropped significantly in 2006 and 2007 compared to 2004 and 2005 when the traveling Ruby Slipper exhibit was at the museum (Exhibit A and B). So, this publicity did not help the museum. Not only did our earned revenue numbers drop, but the Executive Director, John Kelsch, was taken away from his day-to-day duties to handle the publicity, scrutiny, and legalities of the Ruby Slipper theft, including fundraising efforts. Our museum Board of Directors was also taken away from their duties to deal with the insurance, financial, and legal obligations associated with this case.

It also ruined our museum's credibility not only with Michael Shaw, but with other people and museums that do this line of work; they did not trust us with their memorabilia for donation or for loan. Kelsch had every intention of having some type of traveling exhibition each summer during our busy season to boost patronage, but these aspirations went away after the stealing of the slippers. Many Judy Garland and Wizard of Oz collectors would not work with us; it damaged our ability to borrow and share artifacts from individuals and/or other museums to boost earned revenue. It is impossible to estimate the earned revenue lost from these planned collaborations.

As a result of this crime, we will forever be infamously known as the place where the Ruby Slippers were stolen. It continues to be the most talked about conversation at the front desk with visitors and is a big part of our museum's history and culture. To help answer visitor questions, we have carved out a section of the museum to share the story and train our staff members on what to say. When there are updates or changes in the story, the museum is bombarded with media for statements and input. We continually get asked to do interviews for podcasts, documentaries, radio stations, newspapers, etc regarding the case. In some capacity, the publicity is welcomed, but we do not necessarily believe it has generated much in earned revenue. For us to capitalize on these efforts, we would need to create a professional Ruby Slipper Theft exhibit.

Victim Financial Statement

1. Please list your financial losses from this crime.

Please see attached "Exhibit A and Exhibit B" documents. These financials outline an 11-year history of the museum's financials. Our current location's building opened in 2003. In 2004 and 2005, when the Ruby

Slipper traveling exhibit was at the museum, we saw a significant increase in memberships and admissions dollars; these two categories are crucial to our operations.

We estimate that our museum lost at least \$84,000 in earned operating revenue from lost admission and membership fees over a four-year period after the crime (2006 - 2009). Museum admission income never really recovered until 2010. The same is true for membership income - down \$24,000 over the same period. Given that the museum was just winding up its capital campaign to raise funds for our new building (opened in 2003), the crime had a drastic negative impact on the museum's overall financial condition in the early years following the crime. Contributions from individuals and corporations certainly decreased, yet it is difficult to quantify as the Executive Director was derailed from his job duties due to the crime.

The Executive Director of the museum, John Kelsch at the time was under extreme scrutiny after the stealing of the Ruby Slippers. He became a suspect in the crime, which affected his personal and work life. He had just raised nearly \$1 million dollars to build the museum and soon after opening the museum was under investigation for the stealing of the ruby slippers. Because of this, the museum suffered on multiple levels; you can see in our financials that our admission and membership numbers dropped by nearly 30% from 2005 to 2006. On top of that, donors were uncertain about donating to the museum where the Ruby Slippers were stolen, so that line item also suffered.

In 2007, 2 years after the theft, Kelsch missed 2.5 months of work because he had to undergo psychiatric care at a facility. The stress of the ruby slipper case and the financial situation of the museum became too much. During this time, the museum paid him for his time away, but he was not able to complete his regular job duties. Grand Rapids State Bank put pressure on the museum to pay off the loan they had taken out to build the museum. Due to low earned revenue dollars, the museum was unable to pay the mortgage. In August of 2008, the museum was forced to sell assets. Land was sold during the height of the 2008-09 real estate crash for \$120,000 (Exhibit C,) and priceless Judy Garland Museum collections were auctioned for \$108,250 in 2012 (Exhibit D). This combined loss totaled \$228,250.

The Museum paid the \$3,500 insurance premium for the \$1 million coverage of the Ruby Slippers.

- 2. List any income lost as a result of your participation in the investigation or prosecution or attendance at proceedings related to the offense. State reasons for the loss of income; attach a letter from your employer verifying the number of lost wages or income.**

This case happened nearly 20 years ago; we do not have records on all of the income lost as a result of this investigation.

- 3. If you have suffered any other expenses as a result of this crime, please list them below. Include items such as necessary childcare, transportation, and other expenses related to the participation in the investigation or prosecution of the offense or attendance at proceedings related to the offense. Please be specific and attach copies of receipts.**

This case happened nearly 20 years ago; we do not have records on all of the expenses incurred as a result of this case.